

# South Dakota Medical Assistance Newsletter

**Department of Social Services, Office of Medical Services**

**700 Governor's Drive, Pierre, South Dakota 57501**

**Phone: 605-773-3495 Fax: 605-773-5246**

**<http://www.state.sd.us/social/medical/index.htm>**

**July 2002**

*Periodically, Medical Assistance will be sending out new News.*

*Please take the time to read the News, as it will be beneficial for both the Provider and Medical Assistance.*

## **Pharmacy Providers**

NCPDP Version 5.1: The South Dakota Medical Assistance Program (SDMAP) Pharmacy Program has completed installation of NCPDP Version 5.1 software to the SDM Point-Of-Sale (POS) System. This will allow for enhanced information reporting and on-line submission of compounded prescription claims for pharmacy providers who have upgraded their computer systems with Version 5.1. The POS System will continue to accept claims in the NCPDP Version 3.2 format until further notice. If you have questions about upgrading with Version 5.1, please contact your software vender.

Prescription Drug Claim Forms: SDMAP has stopped accepting claims submitted on SDMAP Prescription Drug Claim Form. All prescription drug claims submitted on paper claim forms must come on the NCPDP Universal Pharmacy Claim Form, version DAH1-01 (SDMAP does not supply this form). This only affects prescription drug claims. Claims for products covered under the Durable Medical Equipment (DME) Program must still be submitted using the HCFA 1500 Claim Form.

Over-riding MAC Price: Prescription drug claims submitted electronically with a "1" in the DAW Field or on paper with an "M" in the block entitled "DAW Code" indicates to SDMAP System that a Maximum Allowable Cost (MAC) Price is to be over-ridden. At no time should these over-ride indicators be submitted on claims when a generic drug is dispensed. A physician, who insists that a Medicaid recipient receive a brand name drug, must write "brand necessary" or "brand medically necessary" on the face of the prescription. If the prescription is being ordered orally the pharmacist must write "brand necessary" or "brand medically necessary" on the face of the prescription along with the date and time the prescription was conveyed. Only on prescriptions supported by this documentation should a MAC over-ride indicator be used.

Orders for OTC or DME Products: Remember that all products supplied to SDMAP recipients for which a claim is submitted to SDMAP must be supported by a documented physician order, whether it is in the form of a prescription or some other document. This would include over-the-

counter products supplied to foster children and over-the-counter diabetic supplies covered under the pharmacy program. DME products submitted on a HCFA 1500 must also be supported by physician order.

## **Early Periodic Screening Diagnosis and Treatment**

South Dakotans are currently faced with a difficult and possibly intractable problem - that of obesity at epidemic proportions. Of particular concern is the problem of childhood obesity. Today, many South Dakota children are overweight or obese. Since childhood eating habits are often formed for a lifetime, this problem is likely to persist, placing these individuals at great risk for chronic disease.

Improving the health status of children and families is a primary goal of the South Dakota Medical Assistance Program (SDMAP). The Early Periodic Screening Diagnosis and Treatment (EPSDT) program, also known as the Healthy Kids Klub (HKK), covers children under 21 years of age. Since the focus of this program is to promote prevention and early detection and treatment of health conditions, it is very important to inform families and providers of recommended services.

In an attempt to raise awareness, SDMAP has recently revised the preventive services reminder letters to address obesity. These letters to parents or guardians will now contain suggestions to help maintain a healthy weight. In addition, we would also like to encourage our providers to access the newly revised growth charts that are available on the Centers for Disease Control and Prevention web site at [www.cdc.gov/growthcharts](http://www.cdc.gov/growthcharts). This site contains information to assist you in the care and prevention of obesity in South Dakota's children.

Thank you for your assistance in encouraging South Dakota Medical Assistance recipients to access preventive health care services via the HKK program. Updated brochures may be ordered from South Dakota Medical Assistance web site at [www.state.sd.us/social/medical](http://www.state.sd.us/social/medical), then click on Publications.

## Electronic Billing

When billing the South Dakota Medical Assistance Program either as primary or secondary payer via electronic submission, it is imperative to utilize the full fourteen (14) digit recipient number. If you do not have access to the first five digits of the recipient number, as the recipient identification card only carries the last nine digits of the recipient identification number, the first five digits may be zero filled. One of the benefits of utilizing the full fourteen (14) digits of the recipient identification number, especially when the primary payer is Medicare and South Dakota Medical Assistance Program is the secondary payer, is that it will help to eliminate some of the problems we are experiencing in not being able to identify the recipient when processing electronic Medicare crossover claims, which then results in denial of the electronic Medicare crossover claim.

South Dakota Medical Assistance Program has identified an issue related to the use of the correct South Dakota Medical Assistance Provider Number for electronic Part "A" and Part "B" of "A" Medicare crossover claims. To correct this issue the following instruction must be followed: When submitting claims, via the UB92 V6.0 COB format to Medicare Part "A" or Part "B" of "A", you MUST place your seven digit South Dakota Medicaid Provider Number in record type 30, field #24, position 160 (check with your programmers for this location on the paper form). If your seven digit South Dakota Medical Assistance Provider Number is not in this location within the electronic format, South Dakota Medical Assistance Program will by-pass the electronic Medicare crossover claim and you will have to submit a paper Medicare crossover claim.

## Rural Health Clinics & Federally Qualified Health Centers

The Office of Medical Services has recently recognized that several of South Dakota's Rural Health Clinics and Federally Qualified Health Centers are billing South Dakota Medical Assistance Program for services provided outside their respective facilities (receiving the facility per diem rate as payment for those services). Administrative Rule of South Dakota (ARSD) 67:16:44:02.4, clearly states that services covered under this chapter must be provided at the center or clinic. Physician services provided in a hospital or nursing home setting must be billed under that individual physician provider number. If the physician does not have an individual provider number with South Dakota Medical Assistance for services provided outside the clinic facility, please contact Provider Enrollment at 605-773-3495.



## Vision Providers

Recent concerns have developed regarding the coverage of frames when lenses are medically necessary. South Dakota Medicaid covers only those services determined to be medically necessary according to Administrative Rule of South Dakota (ARSD) 67:16:01:06.02. Please reference your Vision Manual for complete information about covered and non-covered optometric services. If you are in need of a Vision Manual, please contact Medical Services at 605-773-3495 and request that a manual be sent. Vision providers must establish and maintain supportive documentation of medical necessity before billing South Dakota Medical Assistance for replacement eyeglasses and/or replacement frames. Claims submitted for services within the stated limitations must be accompanied by this supporting documentation. To better streamline requests for recipient eligibility concerning vision services please consider utilizing the following before contacting Medical Services:

- ◆ Use the "Cardswipe" system to determine recipient eligibility and/or restrictions.
- ◆ Contact the "Voice Response" (945-5006) to determine recipient eligibility and/or restrictions.
- ◆ Check your recipient medical history files for prior services that were provided.

## Diabetes Education Program Providers

As a result of comments made during an Administrative Rules process, changes have been made to the billing procedures for diabetes education effective January 1, 2002. The changes reflect how many minutes make up a unit of service, as well as the reimbursement per unit. The changes are addressed in Administrative Rule of South Dakota (ARSD) 67:16:46:05. For more complete provider information for diabetes self-management education, please visit our web site at [www.state.sd.us/social/medical/provider/diabetes/index.htm](http://www.state.sd.us/social/medical/provider/diabetes/index.htm).

## New Crossover Billing Instructions

South Dakota Medical Assistance has eliminated the existing Medicare Crossover Claim form for filing Part "B" Medicare Crossover co-insurance and/or deductible. Effective June 1, 2002 the Part "B" Medicare Crossover co-insurance and/or deductible must be submitted on the HCFA 1500 Claim Form. New billing instructions have been completed and are available on Medical Services web page at [www.state.sd.us/social/medical/provider/BillingManuals.htm](http://www.state.sd.us/social/medical/provider/BillingManuals.htm). If you do not have Internet access and need a copy of the billing instructions, please call 605-773-3495 and request a copy be mailed.

Please note that Part A Medicare Crossover services will continue to submit co-insurance and/or deductible on the old form.